

## **Abstract in English**

### ***Diversity in Composition of Supervisory Boards***

This paper focuses on analysing the current situation of composition of board of directors in Europe as well as in the United States with the emphasis on supervisory boards in the dualistic model and the non-executive members of boards in the monistic model. It is aimed on one hand at evaluating the business case for diversity as its proponents including the European Commission and several European governments present it, on the other at judging diversity from the critical point of view of its opponents. Lastly, this paper presents different approaches that may be taken to this topic, i.e. the measures that can be engaged in order to achieve higher diversity.

In the beginning I shortly summarise the nature and function of the supervisory board under Czech law as well as the general status of supervisory board or the non-executive part of board of directors in both corporate governance systems. I then scrutinise the approaches to diversity in Europe and the USA and look at the different criteria of diversity considered. The centre of this work comprises of evaluating both the advantages and benefits of diversity on one hand and disadvantages and costs on the other. It is particularly this part of the analysis that is crucial to both businesses and governments when considering the adoption of the diversity policy, as it is critical to acknowledge the fact that the support of diversity is a long-term matter, which may bring many benefits but it does not come for free.

I then shortly comment on the political background of the issue, as political values are part of the argumentation of the supporters. Therefore I describe the development of the principle of equal treatment under European law as well as its evolvement in the case law of the European Court of Justice. I also present the relation between the principle of equal treatment and the so-called affirmative measures.

In the light of the current situation in Europe where the most recently and frequently discussed diversity topic is the representation of women on the boards of the largest listed companies, I try to unravel the efforts of the European Commission to adopt a directive which would then the given topic uniformly for all EU countries.

It is the aim of this paper to answer four main questions tied to the problematic of diversity in current Europe- 1. What are the factors that the term diversity

encompasses? 2. Is diversity truly valuable to the companies, under which conditions it is or it is not so? 3. Has the European Commission choose an appropriate model of promoting higher representation of women in the boards of companies? 4. What would be a suitable model of promoting diversity in the Czech Republic if it was to adopt one? I continually searched for answers throughout the entire work and summarised my findings in the partial conclusions of each chapter. I then concluded and recapitulated in the last chapter of this paper.